GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2154
ANSWERED ON:11.08.2006
EXCISE DUTY ON PHARMACEUTICAL PRODUCTS
Gadhavi Shri Pushpdan Shambhudan;Kanodia Shri Mahesh Kumar;Solanki Shri Bhupendrasinh Prabhatsinh

Will the Minister of FINANCE be pleased to state:

(a) The existing rate of duty on cancer and AIDS related drugs;

(b) Whether any request / recommendations for elimination of duty on such drugs are received by the Government; and

(c) If so, the reaction of the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) In general, basic excise duty on drugs and medicine including cancer and AIDS related drugs is 16% Similarly, general rate of basic customs duty on such drugs is 12.5% on imports. Countervailing duty equal to excise duty is leviable on such drugs and 4% additional duty of customs in lieu of state / local taxes are also applicable.

(b) Proposals for exempting such drugs from customs and excise duty have been received by the Government.

(c) Having regard to the recommendations, the Government has reduced basic customs duty to 5% on following Cancer and Anti-AIDS drungs and bulk drugs for their manufacture. Such drungs have also been exempted from excise duty.

Anti-Cancer medicines	Anti-AIDS drugs
(i) Azathioprine	(i) Didanosine
(ii) Antinomycin D	(ii) Efavirenz
(iii) Cisplatin	(iii) Indinavir
(iv) Cytosine Arabinoside (Cytarabine)	(iv) Nelfinavir
(v) Danazol	(v) Nevirapine
(vi) Doxorubicin	(vi) Stavudine
(vii) Etoposide	(vii) Abacavir Sulphate
(viii) Flutamide	(viii) Lopinavir

(ix) Ondansetron (ix) Tenofovir Disoproxil

(x) Paclitaxel (x) Emtricitabine

(xi) Tamoxifen Citrate (xi) Lamivudine and

(xii) Vinblastine Sulphate (xii) Zidovudine

(xiii)Vincristine